

### 99TH GENERAL ASSEMBLY

## State of Illinois

# 2015 and 2016

#### HB5785

by Rep. Arthur Turner

## SYNOPSIS AS INTRODUCED:

30 ILCS 738/40-10 30 ILCS 738/40-20 30 ILCS 738/40-40 305 ILCS 20/7

from Ch. 111 2/3, par. 1407

Amends the Urban Weatherization Initiative Act. Provides that the efforts of the Urban Weatherization Initiative shall be coordinated with federal weatherization programs. Requires the Department of Commerce and Economic Opportunity to administer the Initiative so as to qualify for federal grant or matching programs. Provides the salary of employees hired under the Initiative in accordance with the hourly wages associated with the federal prevailing wage rates for weatherization workers. Provides that the maximum per unit expenditure is limited to \$10,000 (currently \$6,500) and that a grant recipient may not be awarded grants totaling more than \$2,000,000 (currently \$500,000) per fiscal year. Provides that 2 voting members of the Weatherization Initiative Board must have experience in residential weatherization or energy efficiency and that one voting member must have experience in workforce development. Requires the Board's annual report to be filed by May 31 (instead of December 31).

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FISCAL NOTE ACT MAY APPLY HB5785

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AN ACT concerning finance.

# 2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

4 Section 5. The Urban Weatherization Initiative Act is 5 amended by changing Sections 40-10, 40-20, and 40-40 as 6 follows:

7 (30 ILCS 738/40-10)

8 Sec. 40-10. Urban Weatherization Initiative established;9 purpose.

10 (a) The Urban Weatherization Initiative is created. The 11 Initiative shall be administered by the Department of Commerce 12 and Economic Opportunity in consultation with other 13 appropriate State agencies and overseen by the Weatherization 14 Initiative Board.

(b) The purpose of the Urban Weatherization Initiative is 15 16 to promote the State's interest in reducing the impact of high 17 energy costs on low-income households. The Initiative seeks to increase employment and entrepreneurship opportunities through 18 19 the installation and manufacturing of low-cost weatherization materials. In particular, the Initiative is intended to 20 21 weatherize owner-occupied, single family homes and 22 multi-family (6 units or fewer) housing in census tracts with high rates of unemployment, underemployment, and poverty and to 23

ensure that residents of those communities are able to access the work as a local employment engine. The Initiative also seeks to implement outreach strategies to increase awareness of cost savings and job training services associated with the program.

6 (c) The efforts of the Urban Weatherization Initiative 7 shall be coordinated with those of federal weatherization programs, including, but not limited to, the weatherization 8 9 programs of the United States Department of Energy. The 10 Department shall administer the Initiative so as to qualify for 11 any federal grant or matching programs that may from time to 12 time be offered to the State of Illinois or any political 13 subdivision thereof. Employees hired under the Initiative 14 shall be paid in accordance with the hourly wages associated with the federal prevailing wage rates for weatherization 15 16 workers.

17 (Source: P.A. 96-37, eff. 7-13-09.)

18 (30 ILCS 738/40-20)

19 Sec. 40-20. Award of grants.

(a) The Department shall award grants under this Article
using a competitive request-for-proposal process administered
by the Department and overseen by the Board. No more than 2% of
funds used for grants may be retained by the Department for
administrative costs, program evaluation, and technical
assistance activities.

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1 (b) The Department must award grants competitively in 2 accordance with the priorities described in this Article. 3 Grants must be awarded in support of the implementation, 4 expansion, or implementation and expansion of weatherization 5 and job training programs consistent with the priorities 6 described in this Article. Strategies for grant use include, 7 but are not limited to, the following:

8 (1) Repair or replacement of inefficient heating and 9 cooling units.

10 (2) Addressing of air infiltration with weather 11 stripping, caulking, thresholds, minor repairs to walls, 12 roofs, ceilings, and floors, and window and door 13 replacement.

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(3) Repair or replacement of water heaters.

(4) Pipe, duct, or pipe and duct insulation.

(c) Portions of grant funds may be used for:

17 (1) Work-aligned training in weatherization skill
18 sets, including skills necessary for career advancement in
19 the energy efficiency field.

(2) Basic skills training, including soft-skill
training, and other workforce development services,
including mentoring, job development, support services,
transportation assistance, and wage subsidies tied to
training and employment in weatherization.

(d) All grant applicants must include a comprehensive planfor local community engagement. Grant recipients may devote a

portion of awarded funds to conduct outreach activities designed to assure that eligible households and relevant workforce populations are made aware of the opportunities available under this Article. A portion of outreach activities must occur in convenient, local intake centers, including but not limited to churches, local schools, and community centers.

7 (e) Any private, public, and non-profit entities that 8 provide, or demonstrate desire and ability to provide, 9 weatherization services that act to decrease the impact of 10 energy costs on low-income areas and incorporate an effective 11 local employment strategy are eligible grant applicants.

12 (f) For grant recipients, maximum per unit expenditure
13 shall not exceed \$10,000 \$6,500.

14 (g) A grant recipient may not be awarded grants totaling
15 more than <u>\$2,000,000</u> <del>\$500,000</del> per fiscal year.

(h) A grant recipient may not use more than 15% of its
total grant amount for administrative expenses.
(Source: P.A. 96-37, eff. 7-13-09.)

19 (30 ILCS 738/40-40)

20 Sec. 40-40. Weatherization Initiative Board.

(a) The Weatherization Initiative Board is created within
 the Department. The Board must approve or deny all grants from
 the Fund.

24 (a-5) Notwithstanding any other provision of this Article,
25 the Board has the authority to direct the Department to

authorize the awarding of grants to applicants serving areas or populations not included in the target areas and populations set forth in Section 40-25 if the Board determines that there are special circumstances involving the areas or populations served by the applicant.

(b) The Board shall consist of 5 voting members appointed 6 7 by the Governor with the advice and consent of the Senate. The 8 initial members shall have terms as follows as designated by 9 the Governor: one for one year, one for 2 years, one for 3 10 years, one for 4 years, and one for 5 years, or until a 11 successor is appointed and qualified. Thereafter, members 12 shall serve 5-year terms or until a successor is appointed and 13 qualified. Two voting members shall have experience in 14 residential weatherization or energy efficiency; one voting member shall have experience in workforce development. The 15 16 voting members shall elect a voting member to serve as chair 17 for a one-year term. Vacancies shall be filled in the same manner for the balance of a term. 18

(c) The Board shall also have 4 non-voting ex officio members appointed as follows: one Representative appointed by the Speaker of the House, one Representative appointed by the House Minority Leader, one Senator appointed by the President of the Senate, and one Senator appointed by the Senate Minority Leader, each to serve at the pleasure of the appointing authority.

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(d) Members shall receive no compensation, but may be

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reimbursed for necessary expenses from appropriations to the
 Department available for that purpose.

3 (e) The Board may adopt rules under the Illinois
4 Administrative Procedure Act.

5 (f) A quorum of the Board is at least 3 voting members, and 6 the affirmative vote of at least 3 voting members is required 7 for Board decisions and adoption of rules.

8 (g) The Department shall provide staff and administrative 9 assistance to the Board.

10 (h) By <u>May</u> December 31 of each year, the Board shall file 11 an annual report with the Governor and the General Assembly 12 concerning the Initiative, grants awarded, and grantees and 13 making recommendations for any changes needed to enhance the 14 effectiveness of the Initiative.

15 (Source: P.A. 96-37, eff. 7-13-09.)

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Section 10. The Energy Assistance Act is amended by changing Section 7 as follows:

18 (305 ILCS 20/7) (from Ch. 111 2/3, par. 1407)

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Sec. 7. State Weatherization Plan and Program.

(a) The Department shall, after consultation with the
Policy Advisory Council, prepare and promulgate an annual State
Weatherization Plan beginning in the year this Act becomes
effective. To the extent practicable, such Plan shall provide
for targeting use of both State and federal weatherization

1 funds to the households of eligible applicants pursuant to this
2 Act whose ratios of energy costs to income are the highest. The
3 State Weatherization Plan shall include but need not be limited
4 to the following:

5 (1) a description of the demographic characteristics 6 and energy use patterns of people eligible for assistance 7 pursuant to this Act;

8 (2) the methodology used by the Department in targeting
9 weatherization funds;

10 (3) a description of anticipated activity and results 11 for the year covered by the Plan, including an estimate of 12 energy cost savings expected to be realized by the 13 weatherization program; and

14 (4) every third year, beginning in 2002, an evaluation 15 of results from the weatherization program in the year 16 preceding the plan year, including the effect of State 17 Weatherization Program investments on energy consumption and cost in the population eligible for assistance pursuant 18 19 to this Act, and the effect of targeted weatherization 20 investments on the costs of the energy assistance program 21 authorized by this Act.

22 Department shall implement (b) The the State 23 Weatherization Plan by rule through a program which provides 24 targeted weatherization assistance to eligible applicants for 25 energy assistance pursuant to this Act. The Department may 26 enter into such contracts and other arrangements with local

- 8 - LRB099 18973 MLM 43362 b HB5785 1 agencies as may be necessary for the purpose of administering 2 the weatherization program. Individuals performing 3 weatherization work under the weatherization program shall be paid in accordance with the hourly wages associated with the 4 5 federal prevailing wage rates for such weatherization 6 classifications as determined by the United States Department of Labor, until specifically superseded by additional 7 8 standards and regulations. (Source: P.A. 92-690, eff. 7-18-02.) 9